

HALLIBURTON

Halliburton Closes Deal to Sell Nigeria-Based Lift Boats

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HOUSTON--(BUSINESS WIRE)--Nov. 7, 2006--Two Halliburton (NYSE:HAL) subsidiaries, Halliburton West Africa Limited and Halliburton Energy Services Nigeria Limited, announced today that they have finalized the previously announced agreement to sell certain non-core assets to Hercules Offshore, Inc. (NASDAQ:HERO). The sale includes eight lift boats and gives Hercules the right to operate five additional lift boats under an agreement with the third-party vessel owner. The 13 vessels, with an average age of 20 years, are based in Nigeria and operate in the coastal waters of West Africa.

The initial purchase price is approximately \$50 million, with additional payments to Halliburton over a three-year period based on an earn-out arrangement. The sale will result in a pre-tax gain for Halliburton of more than \$35 million. "As we stated previously, the sale of these assets is in line with Halliburton's decision several years ago to exit the lift boat business," said Cris Gaut, Halliburton's Chief Financial Officer.

Halliburton, founded in 1919, is one of the world's largest providers of products and services to the petroleum and energy industries. The company serves its customers with a broad range of products and services through its Energy Services Group and KBR. Visit the company's Web site at www.halliburton.com.

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